

under subparagraph (A) or (B) is
used only for the purposes
authorized under such
subparagraph."

(C) by striking "and" at the end of
subparagraph (A):

(D) by redesignating subparagraph (B) as
subpara-
graph (C); and

(E) by inserting after subparagraph (A) the
following
new subparagraph:

"(B) wage and unemployment compensation
information Regulations.
contained in the records of such agency shall
be furnished
to the Secretary of Health and Human Services
(in accordance
with regulations promulgated by such Secretary)
as necessary
for the purposes of the National Directory of New
Hires established under section 453(i) of the Social
Security Act and"

(3) TO STATE GRANT PROGRAM UNDER
TITLE III OF THE
SOCIAL SECURITY ACT.—Subsection (h) of
section 303 (42 U.S.C.

503) is amended to read as follows:

"(h)(1) The State agency charged with the
administration of
the State law shall, on a reimbursable basis—

"(A) disclose quarterly to the
Secretary of Health and
Human Services wage and claim
information, as required
pursuant to section 453(i)(1), contained
in the records of such
agency;

"(B) ensure that information
provided pursuant to subpara-
graph (A) meets such standards
relating to correctness and
verification as the Secretary of Health
and Human Services,
with the concurrence of the Secretary of
Labor, may find nec-
essary; and

"(C) establish such safeguards as the
Secretary of Labor
determines are necessary to insure that
information disclosed
under subparagraph (A) is used only for
purposes of section
453(i)(1) in carrying out the child support
enforcement program
under title IV.

"(2) Whenever the Secretary of Labor, after
reasonable notice Notification,
and opportunity for hearing to the State agency
charged with the the
administration of the State law, finds that there is
a failure to
comply substantially with the requirements of
paragraph (1), the
Secretary of Labor shall notify such State agency

that further
payments will not be made to the State until the
Secretary of
Labor is satisfied that there is no longer any such
failure. Until
the Secretary of Labor is so satisfied, the
Secretary shall make
no future certification to the Secretary of the
Treasury with respect
to the State.

"(3) For purposes of this subsection—

"(A) the term "wage information" means information regarding wages paid to an individual, the social security account number of such individual, and the name, address, State, and the Federal employer identification number of the employer paying such wages to such individual; and

"(B) the term "claim information" means information regarding whether an individual is receiving, has received, or has made application for unemployment compensation, the amount of any such compensation being received (or to be received by such individual), and the individual's current (or most recent) home address."

(4) DISCLOSURE OF CERTAIN INFORMATION TO AGENTS
OF
CHILD SUPPORT ENFORCEMENT AGENCIES.—